

LIVONIA HOUSING COMMISSION

JAMES M. INGLIS
DIRECTOR

MEMBERS
JOHN BRYAN
CARL DEAL
DALE MOSER
BETTI SLACK
RUSS SMITH



JACK E. KIRKSEY
MAYOR

PATRICK V. McNAMARA TOWERS
19300 PURLINGBROOK ROAD
LIVONIA, MI 48152-1902
(248) 477-7086
(248) 477-5494 TDD
(248) 477-0172 FAX

June 12, 2013

The Honorable Frank Foster, Chair
Commerce Committee
107th District
Michigan House of Representatives
Lansing, Michigan

Subject: Senate Bill 346

Dear Chairman Foster:

The City of Livonia Housing Commission would like to express a concern relative to Senate Bill 346 which amends Section 22 (MCL 125.1422), as amended by 2012 PA 327. I just became aware this morning that the Senate Bill passed May 16, 2013 and this is the second time your committee has taken up the matter.

The City of Livonia Housing Commission main concern is Sec. 22 (t) which would authorize MSHDA as the "Sole Statewide Public Housing Agency, and to accept federal funds for, and participate in, federal program of housing assistance". The Livonia Housing Commission and over 125 public housing agencies provide federal housing assistance to low income families in the State of Michigan. This provision is contrary to the Michigan Public Facilities Act of 1933, as amended which grants municipal Housing Commissions the authority to administer housing programs and funds from the federal government.

The Senate Bill as proposed by MSHDA is an attempt to eliminate competition for applying and receiving federal funds that can be administered on a state wide basis. Specifically, HUD is currently considering a contract award for Section 8 Project Based Contract Administration and the City of Livonia Housing Commission has submitted an application for consideration. It should be noted that in 2012 Attorney General Bill Shutte refused to issue an opinion requested by MSHDA to achieve the intent of Senate Bill 346.



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1 park corporation under chapter 4, 5, 6, or 8; to give approval or
2 consent to the partnership agreement, joint venture agreement,
3 trust agreement, or other document of basic organization of a
4 limited dividend housing association under chapter 7 or mobile home
5 park association under chapter 9.

6 (s) To engage the services of private consultants on a
7 contract basis for rendering professional and technical assistance
8 and advice.

X 9 (t) To lease real or personal property, TO ACT AS THE SOLE
10 STATEWIDE PUBLIC HOUSING AGENCY, and to accept federal funds for,
11 and participate in, federal programs of housing assistance. FOR
12 PURPOSES OF THIS SUBDIVISION, "PUBLIC HOUSING AGENCY" MEANS THAT
13 TERM AS DEFINED IN 42 USC 1437A.

14 (u) To review and approve rental charges for authority-
15 financed housing projects and require whatever changes the
16 authority determines to be necessary. The changes ~~shall become~~
17 effective after not less than 30 days' written notice is given to
18 the residents of the affected authority-financed housing projects.

19 (v) To set forth in the various loan documents of the
20 authority those restrictions on the sale, conveyance by land
21 contract, or transfer of residential real property, housing
22 projects, or housing units for which a note is held by the
23 authority and restrictions on the assumption by subsequent
24 purchasers of loans originated by and held by, or originated for
25 purchase by and held by, the authority as the authority determines
26 ~~to be necessary in order to~~ comply with requirements of federal
27 statutes, federal rules or regulations promulgated under 5 USC 551